

AMENDED IN SENATE AUGUST 18, 2009

AMENDED IN ASSEMBLY MAY 5, 2009

AMENDED IN ASSEMBLY APRIL 20, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1401**

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**Introduced by Assembly Member Ma**  
(Principal coauthor: Senator Leno)

February 27, 2009

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An act to add Chapter 10.1 (commencing with Section 46100) to Division 17 of the Food and Agricultural Code, relating to organic foods.

LEGISLATIVE COUNSEL'S DIGEST

AB 1401, as amended, Ma. Transition to Organics Act.

Existing law prohibits a food from being sold as organic unless it meets certain criteria, and accurate and specific records are kept detailing its production, handling, and sale.

This bill would enact the California Transition to Organics Act of 2009. The bill would establish the Transition to Organics Fund *in the State Treasury*, which would consist of moneys from federal, industry, and citizen sources. The bill would limit the expenditure of moneys from the fund to providing financial assistance to persons who transition their uncertified farms to certified organic farms and to covering administrative and operational expenses incurred in administering the act, as specified. The fund would be administered by the Secretary of Food and Agriculture, and the secretary would be authorized to adopt regulations to carry out the provisions of the act.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 10.1 (commencing with Section 46100)  
2 is added to Division 17 of the Food and Agricultural Code, to read:

3  
4 CHAPTER 10.1. TRANSITION TO ORGANICS ACT  
5

6 46100. This chapter shall be known and may be cited as the  
7 “California Transition to Organics Act of 2009.”

8 46101. This act shall be ~~shall be~~ interpreted in conjunction  
9 with the National Organic Program (7 U.S.C. Sec. 6501 et seq.),  
10 the California Organic Products Act of 2003 (Chapter 10  
11 (commencing with Section 46000) of this code, and Article 7  
12 (commencing with Section 110810) of Chapter 5 of Part 5 of  
13 Division 104 of the Health and Safety Code), and the regulations  
14 adopted pursuant to the National Organic Program and the  
15 California Organic Products Act of 2003.

16 46102. For purposes of this chapter, the following definitions  
17 apply:

18 (a) “Act” means this chapter.

19 (b) “Uncertified farm” means any farm, or portion of a farm,  
20 that is not a certified organic farm, and has submitted a pesticide  
21 use report for that farm pursuant to Section 12979, prior to January  
22 1, 2010.

23 (c) “Person” means an individual, group of individuals,  
24 corporation, association, organization, cooperative, or other entity.

25 ~~46103. The Transition To Organics Fund is hereby created.~~  
26 ~~The Transition To Organics Fund is not a fund of the State~~  
27 ~~Treasury. Transfers to the Transition To Organics Fund may be~~  
28 ~~deposited in the State Treasury, or in a bank or other depository~~  
29 ~~approved by the Department of Finance. Notwithstanding any~~  
30 ~~other provision of law, the moneys in the Transition to Organics~~  
31 ~~Fund shall not be transferred to any other fund or encumbered or~~  
32 ~~expended for any purpose other than as provided in this act.~~

33 46103. *The Transition to Organics Fund is hereby created in*  
34 *the State Treasury. Transfers to the Transition to Organics Fund*  
35 *shall be deposited in the State Treasury, or in a state depository*

1 *bank approved by the Treasurer. These funds shall be available*  
2 *upon appropriation by the Legislature.*

3 46104. The Transition ~~To~~ to Organics Fund shall consist of  
4 moneys deposited into the fund from federal, industry, and citizen  
5 sources. No moneys from the General Fund shall be deposited into  
6 the Transition to Organics Fund.

7 46105. The Transition ~~To~~ to Organics Fund shall be  
8 administered by the secretary. The secretary may adopt regulations  
9 as needed to carry out the provisions of this act.

10 46106. Expenditure of funds by the secretary pursuant to this  
11 act shall be limited to the following:

12 (a) Providing financial assistance to persons who are  
13 transitioning their farms from uncertified farms to certified organic  
14 farms pursuant to the following procedure:

15 (1) Upon obtaining organic certification on or after January 1,  
16 2010, to sell organically produced products, for the first year of  
17 the organic certification, a person transitioning an uncertified farm  
18 to a certified organic farm may apply for and receive a  
19 reimbursement of 25 percent of the costs associated with obtaining  
20 organic certification for that farm, including inspection fees,  
21 application fees, and annual fees.

22 (2) The maximum amount of payment made for any farm  
23 transitioning from an uncertified farm to a certified organic farm  
24 shall be two hundred fifty dollars (\$250). Reimbursement shall be  
25 made on a first-come-first-served basis, and shall be contingent  
26 upon sufficient funds being available in the Transition to Organics  
27 Fund.

28 (b) Administrative and operational expenses incurred by the  
29 secretary in the administration of this act ~~not to~~ *shall not exceed*  
30 10 percent of the total moneys deposited into this fund, *provided*  
31 *that sufficient moneys are available to cover these expenses, as*  
32 *determined annually by the Director of Finance.*

33 46107. The secretary may administer the disbursement of  
34 moneys from the Transition to Organics Fund in coordination with  
35 the procedures associated with the federal Organic Certification  
36 Cost-Share program authorized under Section 6523 of Title 7 of  
37 the United States Code.

38 46108. The secretary shall receive and accept on behalf of the  
39 Transition to Organics Fund, any contribution of money from any  
40 person, or any agency of this state or the United States to the

- 1 Transition to Organics Fund, and shall deposit those contributions
- 2 in the Transition to Organics Fund.
- 3 46109. The secretary shall keep records of the contributions
- 4 to, and disbursements from, the Transition to Organics Fund. These
- 5 records shall be publicly available upon request. These records
- 6 shall be made available annually to the California Organic Products
- 7 Advisory Committee established pursuant to Section 46003.